

Message Text

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ACTION IO-13

INFO OCT-01 ISO-00 ONY-00 /014 W
-----092028Z 100389 /64R

R 091705Z MAY 77
FM AMEMBASSY ROME
TO SECSTATE WASHDC 4477

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FODAG

E.O. 11652: N/A
TAGS: FAO, AORG
SUBJECT: DISCUSSION WITH FAO DIRECTOR GENERAL ON FAO'S BUDGET

REF: (A) STATE 91895 (B) ROME 6741 (C) STATE 95385 (C) STATE
96611 (E) ROME 7019 (F) STATE 101957

SUMMARY: I AGAIN RAISED WITH FAO DIRECTOR GENERAL, SAOUMA, OUR OPPOSITION TO SEPARATE, REGULAR PROGRAM TECHNICAL ASSISTANCE BUDGETS IN THE FAO AND SPECIALIZED AGENCIES OF THE UN SYSTEM. MEETING STARTED BADLY WITH SAOUMA ADAMANT IN MAINTAINING HIS TCP PROGRAM IN FAO, BUT FINALLY SHOWING WILLINGNESS TO CONSIDER SOME SHIFT IN EMPHASIS OF TCP TOWARD QUICK RESPONSE GOAL AND ALSO PROVIDING FOR A RE-EVALUATION OF TCP. END SUMMARY

1. AT MY REQUEST ON FRIDAY, MAY 6, I HAD A SECOND MEETING WITH FAO DIRECTOR GENERAL, SAOUMA, TO EXPLAIN MORE FULLY OUR DIFFICULTIES WITH AN INCREASING FAO TECHNICAL ASSISTANCE PROGRAM AND OUR VIEWS ON OTHER ASPECTS OF HIS FAO BUDGET FOR 1978. AND 1979.

2. THE MEETING BEGAN BADLY WITH SAOUMA EXPLAINING HE ALREADY KNEW WHAT I WAS GOING TO SAY AND HE COULD
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DO NOTHING ABOUT IT. HE EMPHASIZED REPEATEDLY THAT THE USG HAD APPROVED OF THE TECHNICAL COOPERATION PROGRAM (TCP, AS HAD THE FAO COUNCIL, REGIONAL CONFERENCES, PROGRAM AND FINANCE COMMITTEES, AND ALL MEMBER GOVERNMENTS. ANY CHANGE HAD, HE ARGUED, TO COME FROM THE FAO MEMBER GOVERNMENTS IN THE COUNCIL.

3. AFTER SOME INSISTENCE THE DIRECTOR GENERAL BEGAN TO LISTEN TO EXACTLY WHAT I WAS PROPOSING AND I OUTLINED OUR POSITION BASED ON A THREE-PAGE TALKING POINTS PAPER, POUCED DEPARTMENT TO IO/AGR. I ALSO OFFERED TO LEAVE WITH HIS OFFICE A SUMMARY OF MY TALKING POINTS.

4. IN BRIEF I EXPLAINED THE UNITED STATES IS MAKING A CONCERTED EFFORT TO INCREASE ITS OFFICIAL DEVELOPMENT ASSISTANCE. IN THE LAST THREE YEARS WE HAVE INCREASED OUR VOLUNTARY CONTRIBUTIONS TO THE UNDP FROM \$80 MILLION IN 1975 TO \$100 MILLION IN 1976 TO \$130 MILLION IN 1977. WE ARE ALSO INCREASING OUR FUNDING TO INTERNATIONAL FINANCIAL INSTITUTIONS AND TO OUR OWN BILATERAL AID PROGRAMS. CONGRESS HAS RESPONDED VERY WELL, BUT HAS ALSO ASKED US TO REDUCE VERY WELL, BUT HAS ALSO ASKED US TO REDUCE THE MULTIPLICITY OF INTERNATIONAL TECHNICAL ASSISTANCE PROGRAMS. IF EACH INTERNATIONAL ORGANIZATION CREATES ITS OWN TECHNICAL ASSISTANCE PROGRAMS, WE RISK THREE EQUALLY DANGEROUS OUTCOMES. FIRST, ANY INTEGRATED, OVERALL COUNTRY DEVELOPMENT PROGRAM WITHIN AGREED PRIORITIES IS LOST. SECOND, THE ABILITY OF EVALUATING THE SUCCESS OF DEVELOPMENT PROGRAMS IN A COUNTRY IS DISPERSED AND MADE LESS RELIABLE. THIRD, WE ARE FACED WITH A SYSTEMIC COLLAPSE OF THE UN TECHNICAL ASSISTANCE EFFORT WITH THE RESULTING RELUCTANCE OF CONGRESS TO FURTHER FUND THIS EFFORT EITHER VOLUNTARILY OR THROUGH EVER-INCREASING REGULAR BUDGETS OF INTERNATIONAL ORGANIZATIONS. THUS, MY GOVERNMENT IS OPPOSING TECHNICAL ASSISTANCE PROGRAMS IN THE UNITED LIMITED OFFICIAL USE

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NATIONS SYSTEM WHICH OVERLAP WITH PROGRAMS THAT ARE CLEARLY WITHIN THE AREA OF WORK OF THE UNDP. IN SEEKING TO ALTER THE TCP IN THE 1978 BUDGET, I ASSURED THE DIRECTOR GENERAL WE ARE NOT SEEKING AN OVERALL BUDGET REDUCTION. OUR RESISTANCE TO THE TCP IS TO REGULAR BUDGET FUNDING OF TECHNICAL COOPERATION IN THE AGENCY BUDGETS--AS A MATTER OF PRINCIPLE, NOT FOR REASONS OF BUDGETARY RESTRAINT. TO MAKE THIS QUITE CLEAR, IF THE OVERLAP BETWEEN TCP AND THE UNDP TECHNICAL ASSISTANCE PROGRAMS CAN BE RESOLVED, WE ARE PREPARED TO SUPPORT HIS BUDGET LEVEL OF \$206.8 MILLION. WE REALIZE THE IMPORTANCE OF PIPELINE RESOURCES AND THE REDUCTION OF RESOURCES IN THE UNDP DURING 1976, 1977 AND EARLY 1978, SO WE CAN WITHDRAW OUR OBJECTION TO THE PROPOSAL TO CARRY UNUSED 1976/77 TCP RESOURCES INTO THE NEW BIENNIAL ON A SHORT-TERM BASIS. WE CAN PLEDGE SUPPORT TO FULLY FUND 47 FAO COUNTRY REPRESENTATIVES BY THE END OF 1979. AS I HAVE SAID, WE AGREE ON THE NEED FOR SOME LEVEL OF RESOURCES FOR SHORT-TERM EMERGENCY ASSISTANCE TO

COUNTRIES IN NEED OF A QUICK RESPONSE. FINALLY, AS WE HELP INCREASE THE FUNDING OF THE UNDP, WE WILL CONTINUE TO SUPPORT ITS USE OF THE FAO AS EXECUTING AGENCY AND THE PAYMENT OF 14 PERCENT OVERHEAD CHARGES TO THE FAO.

5. I THEN EXPLAINED THAT I THOUGHT THAT THE PROBLEM IS RESOLVABLE IN THAT ONLY A SMALL PART OF THE TCP IS DUPLICATIVE OF THE UNDP'S TECHNICAL ASSISTANCE AND THE NEED FOR THIS PART SHOULD BE DECREASING AS THE UNDP'S FUNDING IS INCREASED. THUS BY GREATER EMPHASIS ON TWO OF THE EXISTING TCP GOALS, EMERGENCIES AND SMALL-SCALE UNFORESEEN REQUIREMENTS RATHER THAN USING THE TCP FOR TRAINING AND TECHNICAL ASSISTANCE, MUCH OF THE PROBLEM CAN BE RESOLVED. SINCE THE BUDGET HAS ALREADY BEEN APPROVED BY THE FAO PROGRAM AND FINANCE COMMITTEES, AT THIS TIME REPROGRAMMING MIGHT BE ACCOMPLISHED BY SOME LIMITED OFFICIAL USE

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OF THE TCP FUNDS BEING STEERED TOWARD PRIORITY AREAS SUCH AS POST-HARVEST LOSSES IN THIS BIENNIAL. FINALLY THE TCP MIGHT BE RENAMED TO UNDERLINE ITS ESSENCE AS A SMALL-SCALE QUICK RESPONSE PROGRAM.

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ACTION IO-13

INFO OCT-01 ISO-00 ONY-00 /014 W
-----092032Z 100762 /64R
R 091705Z MAY 77
FM AMEMBASSY ROME
TO SECSTATE WASHDC 4478

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6. SAOUMA BRIGHTENED AT THIS POINT AND QUICKLY RESPONDED THAT HE THOUGHT SOMETHING COULD BE WORKED OUT

WITHIN THE TCP TO MINIMIZE DUPLICATION OF THE UNDP'S ADMITTEDLY CENTRAL ROLE IN TECHNICAL ASSISTANCE. HE ALSO RESPONDED FAVORABLY ON EMPHASIZING QUICK RESPONSE PROJECTS. HE SUGGESTED THE TCP'S TERMS OF REFERENCE COULD BE CHANGED SO AS TO MAKE AMPLY CLEAR THE NEED TO AVOID SUPPLICATION AND THE PRIMACY OF THE UNCP IN TECHNICAL ASSISTANCE. HE SUGGESTED THAT AN EVALUATION MECHANISM BE SET UP TO REVIEW THE TCP IN EARLY 1978 AND AT THIS TIME SOME SHIFT COULD BE MADE IN THE TCP.

7. SINCE SAOUMA WAS LEAVING FOR A THREE-WEEK TRIP TO SOUTH ASIA, WE AGREED HE WOULD THINK ABOUT WHAT COULD BE DONE TO MEET THE US PROBLEM AND WE WOULD BE BACK IN TOUCH BEFORE THE JUNE FAO COUNCIL SESSION.

8. RECOMMENDATION: WITH THE DEPARTMENT'S APPROVAL, WE WILL GIVE TO ED WEST, FAO ADG FOR PROGRAM AND BUDGET, THE SUMMARY OF MY TALKING POINTS IN PARA 4 ABOVE AND SEEK TO HAVE HIM WORK UP SOME SPECIFIC PROPOSALS FOR SAOUMA TO DISCUSS WITH ME BEFORE THE FAO COUNCIL WHICH BEGINS JUNE 6. I BELIEVE CARRYING ON WITH THE SLIM AREA OF COMPROMISE OFFERED BY THE DIRECTOR GENERAL IS LIMITED OFFICIAL USE

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OUR BEST APPROACH AND WE SHOULD BE CONSIDERING THE TCP'S TERMS OF REFERENCE AND A REVIEW MECHANISM. GARDNER

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Message Attributes

Automatic Decaptoning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 09-May-1977 12:00:00 am
Decapton Date: 22 May 2009
Decapton Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770163-0132
Format: TEL
From: ROME
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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